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Neidlinger & Associates, Ltd.
Utility Rate Economics and Financial Management Consulting

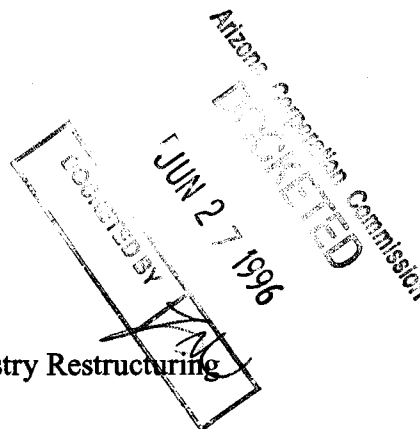
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AZ CORP COMMISSION

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Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, AZ 85007



Re: Request for Comments on Electric Industry Restructuring
Docket No. U-0000-94-165

Fort Huachuca urges the Commission to move towards a competitive market for electric service in Arizona as quickly as possible. Consistent with that objective is the immediate need to establish the vehicle for the development of a state-wide or regional independent transmission system operator to set uniform transmission policies and standards. Concurrently, there is a need to require all vertically integrated electric utilities to begin unbundling their production, transmission and distribution services.

Fort Huachuca is a leader among the nation's military installations with respect to the application and implementation of demand side management technologies. It is also the home for a variety of renewable energy demonstration projects. As an efficient user of electric power, the Fort will hopefully be considered as a candidate for any pilot program that the Commission might decide to initiate in the near future.

The Fort will continue to participate in future activities by the Staff that hasten the development of a truly competitive environment for electric service in Arizona.

Sincerely,

Dan L. Neidlinger
On Behalf of Fort Huachuca

cc: Mr. Bill Stein, Engineering & Housing, Fort Huachuca